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**Thursday,
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Part LVIII

Federal Trade Commission

Semiannual Regulatory Agenda

FEDERAL TRADE COMMISSION (FTC)

FEDERAL TRADE COMMISSION

16 CFR Ch. I

Semiannual Regulatory Agenda

AGENCY: Federal Trade Commission.
ACTION: Semiannual regulatory agenda.

SUMMARY: The following agenda of Commission proceedings is published in accordance with section 22(d)(1) of the Federal Trade Commission Act, 15 U.S.C. 57b-3(d)(1), and the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*, as amended by the Small Business Regulatory Enforcement Fairness Act of 1996, title II of Pub. L. 104-121, 110 Stat. 847. The Commission's agenda follows guidelines and procedures issued June 29, 2000, by the Office of Management and Budget in accordance with the provisions of President Clinton's Executive Order No. 12866 "Regulatory Planning and Review" of September 30, 1993 (58 FR 51735; October 4, 1993). This edition of the Unified Agenda of Federal Regulatory and Deregulatory Actions includes The Regulatory Plan, which appears in part II of this issue of the **Federal Register**. The Federal Trade Commission's Statement of Regulatory Priorities is included in part II.

The Commission has responded to the optional information requirement to identify rulemakings that are likely to have some impact on small entities but are not subject to the requirements of the Regulatory Flexibility Act. The current rulemakings that are likely to have some impact on small entities include: (1) Smokeless Tobacco Rules, 16 CFR part 307; (2) the 900-Number Rule, 16 CFR part 308; (3) the Franchise

and Business Opportunities Rule, 16 CFR part 436; (4) the Funeral Rule, 16 CFR part 453; (5) the Ophthalmic Practice Rules, 16 CFR part 456; and (6) the Rule on Labeling and Advertising of Home Insulation, 16 CFR part 460; and (7) the rulemaking begun pursuant to title V section 501(b) of the Gramm-Leach-Bliley Act: Privacy of Consumer Information — Security, to establish security standards to safeguard consumer information.

In addition, the agency has responded to the optional information requirement that corresponds to the requirements of Executive Order 13132 "Federalism" of August 4, 1999. 64 FR 43255 (Aug. 10, 1999). The Commission believes that none of the rules in this agenda has "substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and the responsibilities among the various levels of government" within the meaning of E.O. 13132. The Commission continues to work closely with the States and other governmental units in its rulemaking process which explicitly considers the effect of the agency's rules on these governmental entities.

The agency also is conducting reviews of the 900-Number Rule as required in the Rule and of the Telemarketing Sales Rule as required by the Telemarketing and Consumer Fraud and Abuse Prevention Act, 15 USC 6101-6108. Most of the other reviews listed on the following agenda are being conducted as part of the Commission's plan to review and seek information about all of its regulations and guides, including their costs and benefits, and regulatory and

economic impact every ten years. These reviews incorporate and expand upon the review required by the Regulatory Flexibility Act. The Commission's ten-year program is also consistent with the President's March 4, 1995 Regulatory Reform Initiative, directing agencies to conduct a review of all regulations and eliminate or revise those that are outdated or otherwise in need of reform.

Except for notice of completed actions, the information in this agenda represents the judgment of Commission staff, based upon information now available. Each projected date of action reflects an assessment by the FTC staff of the likelihood that the specified event will occur during the coming year. No final determination by the staff or the Commission respecting the need for, or the substance of, a trade regulation rule or any other procedural option should be inferred from the notation of projected events in this agenda. In most instances, the dates of future events are listed by month, not by a specific day. The acquisition of new information, changes of circumstances, or changes in the law may alter this information.

FOR FURTHER INFORMATION CONTACT: For information about specific regulatory actions listed in the agenda, contact the contact person listed for each particular proceeding. Comments or inquiries of a general nature about the agenda should be directed to Sandra M. Vidas, Attorney, Federal Trade Commission, 600 Pennsylvania Avenue NW., Washington, D.C. 20580, telephone: (202) 326-2456; e-mail: svidas@ftc.gov.

By direction of the Commission.
Donald S. Clark,
Secretary.

Federal Trade Commission—Prerule Stage

| Sequence Number | Title | Regulation Identification Number |
|-----------------|--|----------------------------------|
| 4694 | Premerger Notification Rules and Report Form | 3084-AA23 |
| 4695 | Regulatory Review | 3084-AA47 |
| 4696 | Regulations Under the Comprehensive Smokeless Tobacco Health Education Act of 1986 | 3084-AA48 |
| 4697 | Trade Regulation Rule on Funeral Industry Practices | 3084-AA82 |
| 4698 | Telemarketing Sales Rule | 3084-AA86 |
| 4699 | Privacy of Consumer Information — Security | 3084-AA87 |

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Federal Trade Commission—Proposed Rule Stage

| Sequence Number | Title | Regulation Identification Number |
|-----------------|--|----------------------------------|
| 4700 | Trade Regulation Rule Concerning the Labeling and Advertising of Home Insulation | 3084-AA60 |
| 4701 | Trade Regulation Rule on Franchising and Business Opportunity Ventures | 3084-AA63 |
| 4702 | Trade Regulation Rule Pursuant to the Telephone Disclosure and Dispute Resolution Act of 1992 | 3084-AA78 |
| 4703 | Trade Regulation Rule on Ophthalmic Practice Rules | 3084-AA80 |
| 4704 | Trade Regulation Rule Concerning Power Output Claims for Amplifiers Utilized in Home Entertainment Products .. | 3084-AA81 |

Federal Trade Commission—Long-Term Actions

| Sequence Number | Title | Regulation Identification Number |
|-----------------|---|----------------------------------|
| 4705 | Amended Federal Deposit Insurance Corporation Improvement Act | 3084-AA44 |

Federal Trade Commission—Completed Actions

| Sequence Number | Title | Regulation Identification Number |
|-----------------|---|----------------------------------|
| 4706 | The Care Labeling Rule | 3084-AA54 |
| 4707 | Privacy of Consumer Financial Information | 3084-AA85 |

Federal Trade Commission (FTC)

Prerule Stage

4694. PREMERGER NOTIFICATION RULES AND REPORT FORM**Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 18a Clayton Act**CFR Citation:** 16 CFR 801 to 803**Legal Deadline:** None

Abstract: The Premerger Notification Rules and the Antitrust Improvements Act Notification and Report Form were adopted pursuant to Section 7A of the Clayton Act. Section 7A requires firms of a certain size contemplating mergers or acquisitions of a specified size to file notification with the Federal Trade Commission (FTC) and the Department of Justice (DOJ) and to wait a designated period before consummating the transaction. It also requires the FTC, with the concurrence of the Assistant Attorney General for Antitrust, to promulgate rules requiring that notification be in a form and contain information necessary to enable the FTC and DOJ to determine whether the proposed acquisition may, if

consummated, violate the antitrust laws. These rules are continually reviewed in order to improve the program's effectiveness and reduce the paperwork burden on the business community. The Commission proposed modifications to the Premerger Notification and Report Form on June 14, 1994. 59 FR 30545. Based on comments received in response to the Notice, as well as other input from interested parties, the enforcement agencies have continued their review of the Form. If warranted, the Commission may propose further modifications in addition to the 1994 proposed modifications and offer an additional comment period before changing the Form. If pending legislation amending Section 7A of the Clayton Act is enacted, the Commission, with the concurrence of the Assistant Attorney General for Antitrust, would promulgate the rules necessary to implement the statutory changes within 30 days of enactment. The statutory changes may include, among other

things, new graduated fee provisions and filing thresholds.

Timetable:

| Action | Date | FR Cite |
|-------------------------|----------|---------|
| NPRM (HSR Form Changes) | 01/00/01 | |

Regulatory Flexibility Analysis Required: No**Government Levels Affected:** None

Agency Contact: Marian Bruno, Assistant Director, Federal Trade Commission, Premerger Notification Office, Washington, DC 20580
Phone: 202 326-2486
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RIN: 3084-AA23**4695. REGULATORY REVIEW****Priority:** Other Significant**Legal Authority:** 15 USC 41 et seq**CFR Citation:** 16 CFR 1 et seq**Legal Deadline:** None

FTC

Prerule Stage

Abstract: The Commission is conducting a program to review all current rules and guides to identify any that should be modified or rescinded. Under the review program, the Commission will review a portion of its rules and guides each year, on a revolving ten-year schedule. On January 19, 2000, the Commission published a notice in the Federal Register listing the rule and guides to be reviewed during 2000 and the staff contact person for information about each review. 65 FR 2912. The Commission will publish separate notices in the Federal Register for the rules and guides to be reviewed during 2000, soliciting comments about their costs, benefits and regulatory and economic impact. Early next year, the Commission will publish a list of additional rules and guides it will review in 2001. No determination about whether to modify or rescind a rule, regulation, guide or interpretation or any other procedural option should be inferred from the Commission's decision to publish a request for comments. In certain instances, the reviews may also address other specific matters or issues, such as proposed amendments.

Timetable:

| Action | Date | FR Cite |
|--|----------|------------|
| Notice of Rules and Guides to Review in 2000 | 01/19/00 | 65 FR 2912 |
| Notice of Rules and Guides to Review in 2001 | 01/00/01 | |

Regulatory Flexibility Analysis

Required: No

Government Levels Affected: None

Agency Contact: Neil Blickman, Attorney, Federal Trade Commission, Division of Enforcement, Bureau of Consumer Protection, Washington, DC 20580

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RIN: 3084-AA47

4696. REGULATIONS UNDER THE COMPREHENSIVE SMOKELESS TOBACCO HEALTH EDUCATION ACT OF 1986

Priority: Substantive, Nonsignificant

Legal Authority: 15 USC 4401

CFR Citation: 16 CFR 307

Legal Deadline: None

Abstract: The Comprehensive Smokeless Tobacco Health Education Act of 1986 requires health warnings on all packages and advertising for smokeless tobacco. The Act directs the Commission to issue implementing regulations governing the format and display of the warnings. On November 4, 1986, the Commission issued its regulations setting out the provisions for the size, color, typeface, and rotation of the statutory warnings. In FY2000, the Commission will undertake a periodic review of the regulations. It will seek information concerning the regulatory and economic impact of the Rule, in order to decide whether it should be modified or rescinded.

Timetable:

| Action | Date | FR Cite |
|--|----------|-------------|
| Recommendation to the Commission Regarding ANPRM (Regulatory Review) | 01/27/00 | |
| ANPRM (Regulatory Review) | 03/07/00 | 65 FR 11944 |
| Comment Period End (Regulatory Review) | 04/24/00 | |
| Comment Period Extended (Regulatory Review) | 05/02/00 | |
| Extended Comment Period End (Regulatory Review) | 07/21/00 | |
| Reopening and Extension of Comment Period | 10/13/00 | 65 FR 60899 |
| Extended Comment Period End | 10/16/00 | |
| Recommendation to Commission (Regulatory Review) | 01/00/01 | |

Regulatory Flexibility Analysis

Required: No

Small Entities Affected: Businesses

Government Levels Affected: None

Agency Contact: Rosemary Rosso, Attorney, Federal Trade Commission, Division of Advertising Practices, Bureau of Consumer Protection, Washington, DC 20580

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RIN: 3084-AA48

4697. TRADE REGULATION RULE ON FUNERAL INDUSTRY PRACTICES

Priority: Substantive, Nonsignificant

Legal Authority: 15 USC 45; 15 USC 46(g); 15 USC 57(a)

CFR Citation: 16 CFR 453

Legal Deadline: None

Abstract: The Funeral Industry Practices Rule, which became effective in 1984, requires sellers of funeral goods and services to give price lists to consumers who visit a funeral home, and to disclose price and other information to callers who request it over the telephone. The Rule enables consumers to select and purchase only the goods and services they want, and requires funeral providers to seek authority before performing some services such as embalming. The Rule also requires funeral providers to make disclosures regarding any required purchases and prohibits misrepresentations regarding requirements and other aspects of funeral goods and services. In its 1994 review of the Rule, the Commission determined to retain the Rule and amended it to prohibit funeral providers from charging a "casket handling fee" in addition to any non-declinable basic-services fee and deleted certain affirmative telephone disclosure requirements. The Commission responded to requests to address emerging issues in the funeral industry by beginning a review of the Rule in 1998. The Commission previously had scheduled a review of the Rule in 1999, under its ten-year schedule for reviewing all Commission rules and guides. The Commission published a notice soliciting public comment in May 1999. In response to requests of industry members and consumer groups, the Commission extended the comment period. Commission staff conducted a public workshop conference on November 18, 1999, to discuss and explore openly issues raised in written comments. Staff is evaluating the comments and preparing a recommendation to the Commission.

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Prerule Stage

Timetable:

| Action | Date | FR | Cite |
|---|----------|-------|-------|
| Recommendation to Commission Regarding Initial Notice for Comment | 04/17/99 | | |
| Initial Notice for Public Comment | 05/05/99 | 64 FR | 24249 |
| Close of Comment Period (Extended) | 08/11/99 | 64 FR | 35965 |
| Public Workshop | 11/18/99 | 64 FR | 56717 |
| Recommendation to Commission | 11/00/00 | | |
| Commission Action | 12/00/00 | | |

Regulatory Flexibility Analysis Required: No**Small Entities Affected:** Businesses**Government Levels Affected:** None

Agency Contact: Myra Howard, Attorney, Federal Trade Commission, Division of Marketing Practices, Bureau of Consumer Protection, Washington, DC 20580
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RIN: 3084-AA82**4698. TELEMARKETING SALES RULE****Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 6101 to 6108**CFR Citation:** 16 CFR 310**Legal Deadline:** Other, Statutory, December 31, 2000, Rule Review and Report to Congress.

Abstract: In 1995, the Commission issued the Telemarketing Sales Rule ("TSR"), 16 CFR Part 310, under the Telemarketing and Consumer Fraud and Abuse Prevention Act 15 USC 6101-6108. The TSR requires telemarketers to disclose information; prohibits misrepresentations; limits the times telemarketers may call consumers; prohibits calls to a consumer who has asked not to be called again; and sets payment restrictions for the sale of certain goods and services.

As required by the Act, the Commission is reviewing the TSR to evaluate the Rule's operation and report to Congress. The Commission has issued a request for public comment on the rule, its overall costs, benefits and its regulatory and economic impact since its adoption in 1995. The Commission also held a public forum on January 11, 2000, addressing the operation of the Rule's "do-not-call"

provision. Another public forum to discuss other provisions of the Rule was held on July 27-28, 2000. Public forums provide the Commission staff and interested parties an opportunity to discuss these issues and any other topics that emerge from the public comments.

Staff plans to complete its review and forward its recommendations to the Commission later this year.

Timetable:

| Action | Date | FR | Cite |
|--|----------|-------|-------|
| Recommendation to Commission re: "Do-Not-Call" Provision | 10/29/99 | 64 FR | 66124 |
| Public Forum | 01/11/00 | | |
| Recommendation to Commission re: Rule Review | 02/07/00 | | |
| Request for Comments | 02/28/00 | 65 FR | 10428 |
| End Comment Period | 04/27/00 | | |
| Extension of Comment Period | 05/05/00 | 65 FR | 26161 |
| End Extended Comment Period | 05/30/00 | | |
| Public Forum | 07/27/00 | | |
| Public Forum | 07/28/00 | | |
| Recommendation to Commission | 12/00/00 | | |

Regulatory Flexibility Analysis Required: No**Small Entities Affected:** No**Government Levels Affected:** None

Agency Contact: Catherine Harrington-McBride, Attorney, Federal Trade Commission, Division of Marketing Practices, Bureau of Consumer Protection, Washington, DC 20580
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RIN: 3084-AA86**4699. • PRIVACY OF CONSUMER INFORMATION — SECURITY****Priority:** Other Significant**Legal Authority:** PL 106-102, sec 501(b)**CFR Citation:** 16 CFR 313**Legal Deadline:** None

Abstract: On November 12, 1999, the Gramm-Leach Bliley Act ("G-L-B") was enacted. The Act repealed the key provision of the Glass-Steagall Act, that among other things, required the separation of banking, insurance, and securities institutions. Subtitle A (Disclosure of Nonpublic Person Information) of Title V (Privacy) limits the ability of the newly-authorized financial institutions to disclose nonpublic personal information about consumers to nonaffiliated third parties, and requires them to disclose to consumers their privacy policies and practices respecting information shared with both affiliates and nonaffiliated third parties. The Commission issued the statutorily mandated Rule on the Privacy of Consumer Financial Information ("Privacy Rule"), 16 CFR Part 313, on May 12, 2000. The Privacy Rule is effective November 13, 2000, and full compliance is required on or before July 1, 2001.

In addition to the Privacy Rule, Section 501 of Subtitle A requires the agencies to establish appropriate standards for financial institutions to safeguard nonpublic personal information. In particular, section 501(b) of the Act requires the Commission to "establish appropriate standards for the financial institutions [subject to its jurisdiction] relating to administrative, technical, and physical safeguards." Section 501(b) sets out the objectives of these standards: (1) to insure the security and confidentiality of customer records and information; (2) to protect against any anticipated threats or hazards to the security or integrity of such records; and (3) to protect against unauthorized access to or use of such records of information which could result in substantial harm or inconvenience to any customer.

Timetable:

| Action | Date | FR | Cite |
|-----------------------------|----------|-------|-------|
| Request for Comments | 09/07/00 | 65 FR | 54186 |
| Extension of Comment Period | 10/06/00 | 65 FR | 59766 |
| Comment Period End | 10/10/00 | | |
| Extended Comment Period End | 10/24/00 | | |
| NPRM | 02/00/01 | | |

Regulatory Flexibility Analysis Required: No**Small Entities Affected:** Businesses**Government Levels Affected:** None

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Prerule Stage

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RIN: 3084-AA87

Federal Trade Commission (FTC)

Proposed Rule Stage

4700. TRADE REGULATION RULE CONCERNING THE LABELING AND ADVERTISING OF HOME INSULATION

Priority: Substantive, Nonsignificant

Legal Authority: 15 USC 41 et seq

CFR Citation: 16 CFR 460

Legal Deadline: None

Abstract: The Federal Trade Commission's Trade Regulation Rule Concerning the Labeling and Advertising of Home Insulation (R-Value Rule) became effective on September 29, 1980. The Rule is designed to assist consumers in evaluating and comparing the thermal performance characteristics of competing home insulation products. Specifically, the Rule requires manufacturers of home insulation products to provide information about the product's degree of resistance to the flow of heat (R-Value). The Rule also establishes uniform standards for testing, information disclosure, and substantiation of product performance claims. As part of its systematic review of all Commission rules and guides, the Commission requested comments on, among other things, the economic impact of, and the continuing need for this Rule, possible conflicts between the Rule and state, local and other Federal laws, and the effect on the Rule of any technological, economic, or other industry changes. The Commission is considering the comments received in two parts. In part I, the Commission reviewed comments that addressed the current benefits, burdens, and need for the Rule, and determined to retain the Rule. The Commission also adopted non-substantive amendments that: (1) allow the optional use of the additional R-value test procedure; and (2) require use in the future of revised, current versions of other test procedures cited in the Rule. In part II, the Commission will consider the comments recommending that the Commission adopt substantive revisions to the Rule.

Timetable:

| Action | Date | FR Cite |
|------------------------------------|----------|-------------|
| Request for Comments | 04/06/95 | 60 FR 17492 |
| Commission Action/Part I | 03/28/96 | 61 FR 13659 |
| Commission Action/ANPRM | 09/01/99 | 64 FR 48024 |
| Comment Period End | 11/15/99 | |
| Staff Recommendation to Commission | 02/00/01 | |
| Commission Action on NPRM | 04/00/01 | |

Regulatory Flexibility Analysis Required: No

Small Entities Affected: Businesses

Government Levels Affected: None

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RIN: 3084-AA60

4701. TRADE REGULATION RULE ON FRANCHISING AND BUSINESS OPPORTUNITY VENTURES

Priority: Substantive, Nonsignificant

Legal Authority: 15 USC 41 to 58

CFR Citation: 16 CFR 436

Legal Deadline: None

Abstract: The Federal Trade Commission's Trade Regulation Rule on Franchising and Business Opportunity Ventures (Franchise Rule) became effective on October 21, 1979. The Rule is designed to reduce deceptive and unfair practices in the sale of franchises and business opportunities by requiring the pre-sale disclosure of material information about the franchise. For example, the Rule requires franchisors to disclose their business background and litigation history, as well as the number of failed and terminated franchise units. The Rule also requires the disclosure of material terms of the franchise relationship, such as recurring fees and termination and

renewal rights. The Rule further requires the franchisor to provide an audited financial statement for the past three fiscal years. Finally, the Rule requires any franchisor who makes earnings representations to provide the prospective franchisee with an earnings claims document that substantiates those claims. On February 28, 1997, the Commission published an Advance Notice of Proposed Rulemaking (ANPRM) contemplating amendments that would address any new technologies and market practices and at the same time, reduce any unnecessary regulatory burden. Specifically, the Commission requested comments on whether to revise the Rule to more closely align Federal and State disclosure requirements governing franchise sales, and to address changes in the marketing of franchises, such as the sale of franchises internationally and through the Internet. Six public workshops were held in five cities during 1997 to promote discussions about the issues; allow the public to make statements on the record; and assist Commission staff in drafting a proposed amended Rule. The Commission extended the comment period to December 31, 1997. On October 22, 1999, the Commission published a Notice of Proposed rulemaking (NPRM) with a text of a revised Rule. Comments were accepted until December 21, 1999, and rebuttal comments were accepted until January 31, 2000. Commission staff is now analyzing the comments and will prepare a staff report.

Timetable:

| Action | Date | FR Cite |
|----------------------------------|----------|-------------|
| ANPRM | 02/28/97 | 62 FR 9115 |
| Comment Period End | 12/31/97 | 62 FR 28824 |
| Recommendation to Commission | 03/26/99 | |
| NPRM | 10/22/99 | 64 FR 57293 |
| NPRM Comment Period End | 12/21/99 | |
| NPRM Rebuttal Comment Period End | 01/31/00 | |
| Staff Report | 03/00/01 | |

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Regulatory Flexibility Analysis**Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** State**Agency Contact:** Steven Toporoff, Attorney, Federal Trade Commission, Division of Marketing Practices, Bureau of Consumer Protection, Washington, DC 20580

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RIN: 3084-AA63**4702. TRADE REGULATION RULE PURSUANT TO THE TELEPHONE DISCLOSURE AND DISPUTE RESOLUTION ACT OF 1992****Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 5701 et seq; 15 USC 5714(1)**CFR Citation:** 16 CFR 308**Legal Deadline:** None

Abstract: Congress enacted the Telephone Disclosure and Dispute Resolution Act of 1992 (TDDRA) to curtail certain unfair and deceptive practices perpetrated by some pay-per-call businesses, and to encourage the growth of the legitimate pay-per-call industry. TDDRA mandated that the FTC promulgate a rule to curb these practices; the 900-Number Rule became effective on November 1, 1993. TDDRA granted the Commission limited jurisdiction over common carriers for purposes of the 900-Number Rule. The Rule requires that advertisements for 900-numbers contain certain disclosures; that anyone who calls a 900-number service be given the opportunity to hang up at the conclusion of the preamble without incurring any charge for the call; and establishes procedures for resolving billing disputes for 900-number calls and other telephone-billed purchases. The Rule itself required the Commission to initiate a review of the Rule prior to November 1997. As part of this review, the Commission published a notice in the Federal Register on March 12, 1997, requesting comments on, among other things, the economic impact of, and the continuing need for, the 900-Number Rule, and the effect on the Rule of any technological or industry changes. The Commission also sought comments, pursuant to authority granted under the Telecommunications Act of 1996, on

whether to expand the Rule to govern other similar audio information and entertainment services. Staff held a workshop on June 19-20, 1997, during which members of the industry discussed issues raised in the comments, including billing and collection issues and possible ways to expand the definition of "pay-per-call services." Many commenters reported that the 900-Number Rule has been successful in reducing the abuses that led to the passage of TDDRA. Despite the success of the Rule in correcting the abuses in the 900-number industry, complaints about other types of audiotext services (accessed via dialing patterns other than 900 numbers) are being reported. The majority of complaints now involve 800 numbers, international numbers, or other dialing patterns that do not use the 900-number prefix. Many consumer and law enforcement agencies also have been receiving complaints from consumers who have discovered unexplained charges (in some cases, recurring charges) on their telephone bills for services that were never authorized, ordered, received, or used, a practice known as "cramming." On October 30, 1998, the Commission published an NPRM that would expand the definition of "pay-per-call" services beyond 900 numbers and that would implement measures to combat telephone bill cramming. The proposed revisions would (1) require the express authorization of the person to be billed for the purchase of any "telephone-billed purchases" that cannot be blocked by 900-number blocking; (2) prohibit vendors from billing consumers for monthly or other recurring charges for pay-per-call services unless the vendor had entered into a "presubscription agreement" with the person to be billed and had sent the consumer a written copy of the agreement; and (3) give consumers legal recourse to dispute unauthorized charges crammed on phone bills and have those charges removed. The comment period was extended to March 10, 1999, and the workshop-conference was held on May 20-21, 1999. At the workshop, participants discussed issues raised by the comments, such as the meaning of "express authorization" and the requirements for a presubscription agreement. Staff plans to forward a recommendation to the Commission for a final rule later this year.

Timetable:

| Action | Date | FR Cite |
|---|----------|-------------|
| Request for Comments | 03/12/97 | 62 FR 11750 |
| Comment Period End | 05/12/97 | |
| Public Workshop | 06/19/97 | |
| Public Workshop | 06/20/97 | |
| Recommendation to Commission | 09/08/98 | |
| NPRM | 10/30/98 | 63 FR 58524 |
| Comment Period Extended | 01/04/99 | 64 FR 61 |
| Comment Period End | 01/08/99 | |
| Public Workshop-Conference | 02/25/99 | |
| Extended Comment Period End | 03/10/99 | |
| Public Workshop-Conference Date Rescheduled | 05/20/99 | |
| Recommendation to Commission | 12/00/00 | |

Regulatory Flexibility Analysis**Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None**Agency Contact:** Marianne K. Schwanke, Attorney, Federal Trade Commission, Division of Marketing Practices, Bureau of Consumer Protection, Washington, DC 20580
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Phone: 202 326-2310
Email: ewenger@ftc.gov**RIN:** 3084-AA78**4703. TRADE REGULATION RULE ON OPHTHALMIC PRACTICE RULES****Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 41 et seq**CFR Citation:** 16 CFR 456**Legal Deadline:** None

Abstract: The Trade Regulation Rule on Ophthalmic Practice Rules, also known as the "Prescription Release Rule," provides that an optometrist or ophthalmologist must give the patient, at no extra cost, a copy of the eyeglass prescription immediately after the examination is completed. The Rule also prohibits optometrists and ophthalmologists from conditioning the availability of an eye examination, as defined by the Rule, on a requirement that the patient agrees to purchase

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Proposed Rule Stage

ophthalmic goods from the optometrist or ophthalmologist, and from placing on the prescription, or delivering to the patient, certain disclaimers or waivers of liability. The Rule does not require an optometrist or ophthalmologist to release a contact lens prescription to a patient after an eye exam. As part of its systematic review of all Commission rules and guides, the Commission has requested comments on the economic impact of, and the continuing need for, this Rule, possible conflict between the Rule and State, local, or other Federal laws, and the effect on the Rule of any technological, economic, or other industry changes. Staff is preparing a memorandum to the Commission summarizing the comments received and making recommendations as to whether the Commission should revise, repeal, or retain the rule.

Timetable:

| Action | Date | FR Cite |
|------------------------------------|----------|-------------|
| Request for Comments | 04/03/97 | 62 FR 15865 |
| Notice of Comment Period Extension | 05/29/97 | 62 FR 29088 |
| Comment Period End | 06/02/97 | |
| Comment Period End | 09/02/97 | |
| Recommendation to Commission | 10/00/00 | |
| Commission Action | 12/00/00 | |

Regulatory Flexibility Analysis**Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None

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RIN: 3084-AA80

4704. TRADE REGULATION RULE CONCERNING POWER OUTPUT CLAIMS FOR AMPLIFIERS UTILIZED IN HOME ENTERTAINMENT PRODUCTS

Priority: Substantive, Nonsignificant**Legal Authority:** 15 USC 41 et seq**CFR Citation:** 16 CFR 432**Legal Deadline:** None

Abstract: The Trade Regulation Rule Concerning Power Output Claims for Amplifiers Utilized in Home Entertainment Products ("Amplifier Rule" or "Rule") was promulgated in 1974 to assist consumers in purchasing power amplification equipment for home entertainment purposes by standardizing the measurement and disclosure of various performance characteristics of the equipment. The Amplifier Rule establishes uniform test standards and disclosures so that consumers can make more meaningful comparisons of performance attributes. The Rule makes it an unfair or deceptive act or practice for manufacturers and sellers of sound power amplification equipment for home entertainment purposes to fail to disclose certain performance information in connection with direct or indirect representations of power output, power band, frequency or distortion characteristics. The Rule also sets out standard test conditions for performing the measurements that support the required performance disclosures. Further, the Rule prohibits representations of performance characteristics if they are not obtainable when the equipment is operated by the consumer in the usual and ordinary manner without the use of extraneous aids.

To determine whether changes in technology that occurred since the Rule was issued necessitated any Rule revisions, the Commission requested comments on the Rule. Among other things, the Commission asked about the economic impact of, and the continuing need for, this Rule; and any possible conflict between the Rule and State, local and other Federal laws. Based upon the regulatory review, the Commission determined that the Rule applies to self-powered speakers for use with home computers and home sound systems but that the Rule should not be extended to automobile sound systems. The Commission also determined to issue an Advance Notice of Proposed Rulemaking seeking comment on whether it should initiate a rulemaking proceeding to amend the

Rule to reduce the preconditioning power output requirement from one-third of rated power to a lower figure, such as one-eighth of rated power; exempt sellers who make power output claims in media advertising from the requirement to disclose total rated harmonic distortion and the associated power bandwidth and impedance ratings; and clarify the manner in which the Rule's testing procedures apply to self-powered subwoofer-satellite combination speaker systems. The comment period for the ANPRM ended on September 8, 1998. Based on the ANPRM record, and the staff's recommendation, the Commission has determined to initiate a rulemaking proceeding by issuing an NPRM to seek further public comment on the aforementioned issues. The comment period on the NPRM ended on October 15, 1999, and the staff has forwarded its recommendation to the Commission.

Timetable:

| Action | Date | FR Cite |
|---|----------|-------------|
| Request for Comments | 04/07/97 | 62 FR 16500 |
| Comment Period End | 06/06/97 | |
| Recommendation to Commission | 05/08/98 | |
| ANPRM | 07/09/98 | 63 FR 37238 |
| Final Rule (Nonsubstantive Technical Changes) | 07/09/98 | 63 FR 37234 |
| Comment Period End | 09/08/98 | |
| Recommendation to Commission | 04/27/99 | |
| NPRM | 07/19/99 | 64 FR 38610 |
| Comment Period End | 10/15/99 | |
| Recommendation to Commission | 08/04/00 | |
| Commission Action | 10/00/00 | |

Regulatory Flexibility Analysis**Required:** No**Government Levels Affected:** None

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RIN: 3084-AA81

Federal Trade Commission (FTC)

Long-Term Actions

4705. AMENDED FEDERAL DEPOSIT INSURANCE CORPORATION IMPROVEMENT ACT**Priority:** Substantive, Nonsignificant**CFR Citation:** Not Yet Determined**Timetable:** Next Action Undetermined**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** State**Agency Contact:** Carole Reynolds

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Federal Trade Commission (FTC)

Completed Actions

4706. THE CARE LABELING RULE**Priority:** Other Significant

Reinventing Government: This rulemaking is part of the Reinventing Government effort. It will revise text in the CFR to reduce burden or duplication, or streamline requirements.

Legal Authority: 15 USC 41 et seq**CFR Citation:** 16 CFR 423**Legal Deadline:** None

Abstract: The Care Labeling Rule requires manufacturers and importers of textile wearing apparel to attach cleaning instructions stating what regular care is needed for the ordinary use of the product and requiring that the manufacturer or importer possess a reasonable basis for the care instructions. On July 1, 1997, a conditional exemption became effective, allowing the use of symbols. On December 28, 1995, the Commission published an ANPRM relating to possible substantive changes in connection with methods of cleaning that can or should be listed on the care label, reasonable basis requirements, and definitions of water temperatures. An NPRM relating to these possible substantive changes was published on May 8, 1998; the comment period ended on July 27, 1998. The NPRM proposed that the Rule be amended as follows: "If an item of textile wearing apparel can be successfully washed and finished by a consumer at home, the label must provide an instruction for washing." The NPRM also proposed that the Rule be amended to allow for labeling for the relatively new process known as "professional wet cleaning." Finally, the NPRM proposed a change in the definition of "reasonable basis" in the Rule, and in the definitions of water temperature. A workshop for interested parties to discuss the issues raised by the NPRM was held on January 29, 1999. A final rule was published in August 2000.

Timetable:

| Action | Date | FR Cite |
|---|----------|-------------|
| ANPRM | 12/28/95 | 60 FR 67102 |
| ANPRM Comment Period End | 03/13/96 | |
| Final Conditional Exemption | 05/29/97 | 62 FR 29006 |
| Recommendation to Commission/NPRM | 01/23/98 | |
| NPRM | 05/08/98 | 63 FR 25417 |
| Comment Period End | 07/27/98 | |
| Workshop | 01/29/99 | |
| Recommendation to Commission/NPRM or Final Rule | 06/30/00 | |
| Final Rule | 08/02/00 | 65 FR 47261 |

Regulatory Flexibility Analysis**Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None

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RIN: 3084-AA54**4707. PRIVACY OF CONSUMER FINANCIAL INFORMATION****Priority:** Other Significant. Major under 5 USC 801.**Legal Authority:** PL 106-102, sec 504(a)**CFR Citation:** 16 CFR 313**Legal Deadline:** Final, Statutory, May 12, 2000.

Abstract: As required by Section 504(a) of the Gramm-Leach-Bliley Act, the FTC and other agencies issued rules implementing the Act's consumer privacy protections contained in Title V, Subtitle A of the Act. Subtitle A limits a financial institution's ability to disclose nonpublic personal information about a consumer to nonaffiliated third parties and requires a financial institution to disclose to all of its customers the institution's

privacy policies and practices with respect to information sharing with both affiliates and nonaffiliated third parties. The rule implements the Act's provisions for financial institutions subject to the FTC's jurisdiction. The Commission issued the final rule on May 12, 2000 and it was published in the Federal Register on May 24, 2000 with an effective date of November 13, 2000 and full compliance expected by July 1, 2001.

Timetable:

| Action | Date | FR Cite |
|-----------------------------------|----------|-------------|
| Recommendation to Commission | 02/03/00 | |
| Commission Decision | 02/23/00 | |
| NPRM | 03/01/00 | 65 FR 11174 |
| NPRM Comment Period End | 03/31/00 | |
| Commission Decision on Final Rule | 05/12/00 | |
| Final Rule | 05/24/00 | 65 FR 33646 |
| Final Rule Effective | 11/13/00 | |

Regulatory Flexibility Analysis**Required:** Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None

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